

2017 Regular Session

SENATE BILL NO. 124

BY SENATOR WARD

TAX/INCOME/CORPORATE. Provides for the rate of corporate income tax. (See Act)

1 AN ACT

2 To amend and reenact R.S. 47:287.12, relative to corporation income tax; to provide relative
3 to the rate of the corporation income tax; to provide for a flat tax rate; to provide for
4 effectiveness; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:287.12 is hereby amended and reenacted to read as follows:

7 §287.12. Rates of tax

8 The tax to be assessed, levied, collected, and paid upon the Louisiana taxable
9 income of every corporation shall be computed at the rate of: **three and three-**
10 **quarters percent of Louisiana taxable income.**

11 ~~(1) Four percent upon the first twenty-five thousand dollars of Louisiana~~
12 ~~taxable income.~~

13 ~~(2) Five percent upon the amount of Louisiana taxable income above~~
14 ~~twenty-five thousand dollars but not in excess of fifty thousand dollars.~~

15 ~~(3) Six percent on the amount of Louisiana taxable income above fifty~~
16 ~~thousand dollars but not in excess of one hundred thousand dollars.~~

17 ~~(4) Seven percent on the amount of Louisiana taxable income above one~~

1 ~~hundred thousand dollars but not in excess of two hundred thousand dollars.~~

2 ~~(5) Eight percent on all Louisiana taxable income in excess of two hundred~~
3 ~~thousand dollars.~~

4 Section 2. The provisions of this Act shall be applicable to all tax years beginning
5 on and after January 1, 2018.

6 Section 3. This Act shall take effect and become operative if and when the Act
7 which originated as Senate Bill No. ___ of this 2017 Regular Session of the Legislature is
8 enacted into law and becomes effective.

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Ben Huxen.

	DIGEST	
SB 124 Original	2017 Regular Session	Ward

Present law provides that the tax to be assessed, levied, collected, and paid on the La. taxable income of every corporation shall be computed at the following rates:

- (1) 4% on the first \$25,000 of La. taxable income.
- (2) 5% on La. taxable income above \$25,000 but not in excess of \$50,000.
- (3) 6% on La. taxable income above \$50,000 but not in excess of \$100,000.
- (4) 7% on La. taxable income above \$100,000 but not in excess of \$200,000.
- (5) 8% on all La. taxable income in excess of \$200,000.

Proposed law eliminates the tiered tax rate schedule and provides a flat 3.75% tax on La. taxable corporate income for all tax years beginning on and after January 1, 2018.

Effective if and when the Act which originated as Senate Bill No. ___ of this 2017 Regular Session of the Legislature is enacted into law and becomes effective.

(Amends R.S. 47:287.12)